

The Measurement of Service Quality Towards Boutique Hotels in Phuket

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Abstract

The main objective of the research is to measure the customer's expectation and perception toward boutique hotels and to identify the Gap 5 toward service quality. The data gained from international and domestic tourists stays in boutique hotels, Phuket, Thailand are analyzed by using 5 dimensions of service quality and the Gap 5 model. The findings of this study may suggest meaningful implications (e.g., developing service improvement strategies) for hotel and other related industry.

Keywords: Boutique Hotel, Service Quality, GAP 5, Expectation, Perception

1. Introduction

Hotel business as one main element of tourism industry has been growing up continuously each year. Boutique style hotel offers the alternative to chain and non-chain hotels the differentiated designs and looks, and often extend the capacity of the hotels in term of quantity with smaller size of rooms. An architecturally notable design combining with the low staff – to- guest ratio will enable them to provide more personalize services and attention to their guest. With this idea, the chain hotel that refine themselves into the boutique hotels will be able to attract more client base and reach the teenage travelers who appreciate their new looks and budget value. Furthermore the boutique hotels have opportunity to create the value-added into the hotels by featuring the intimate of services, the stylish appearance, with technological amenities, for instance, Wi-Fi available everywhere.

Research Objectives

1. To measure the customer's expectation and perception toward boutique hotels.
2. To identify the Gap 5 toward service quality.

2. Literature Review

2.1 The role of Boutique Hotel

Thailand features numerous boutique hotels and design hotels that are as stylish as they are comfortable. In fact, numerous Thailand boutique hotels have won international acclaim for both design and service. Many of Thailand's boutique hotels incorporate aspects of Thai culture in their design; nearly all provide Thailand's "land of smiles" hospitality. (Tourism Authority of Thailand, 2010)

Anhar stated that boutique hotel type is the hotel for Architecture and design for identity oneself. Including the format of service of individual service of the requirement of customer.

Timothy and Teye defined that there is a category of lodging that caters to travelers who seek a cozy experience in elegant and high-amenity settings, where the lodging establishment is an important part of the holiday experience, proprietors are hands-on workers and become personally involved in the services and experiences of guests, and is sometimes, though not always, costlier than hotel and motels. We have chosen to call this category of accommodation 'boutique accommodations'.

2.2 Five Dimensions of Service Quality

Berry and Parasuraman (1991); Parasuraman et al. (1988); Parasuraman, Zeithaml, and Berry (1994) explained the descriptions of five dimensions which influence customers' assessment of service quality in the service organization as follows:

1. Tangibles include the appearance of physical facilities, equipment, personnel, and communications materials. The condition of the physical surroundings is tangible evidence of the care and attention to details exhibited by the service providers.

2. Reliability is the ability to perform the promised service dependably and accurately. Reliability service performance is a customer expectation and means that the service is accomplished on time every time, in the same manner, and without errors.

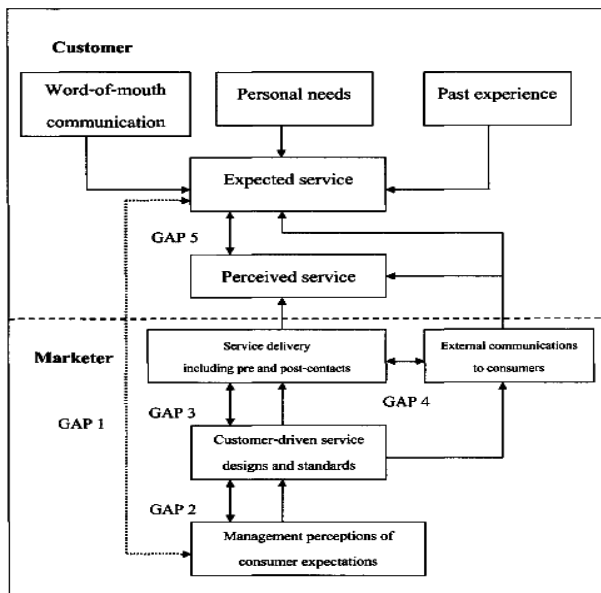
3. Responsiveness is the willingness to help customers and provide prompt service. Keeping customers waiting, particularly for no apparent reason, creates unnecessary negative perception of quality. In the event of a service failure, the ability to recover quickly with professionalism can create extremely positive perceptions of quality.

4. Assurance relates to the knowledge and courtesy of employees and their ability to convey trust and confidence. The assurance dimension includes competence to perform the service, politeness and respect for the customer, effective communication with the customer, and the general attitude that the server has the customer's best interest at heart.

5. Empathy is the provision of caring, individualized attention to customers. Empathy includes approachability, sense of security, and the effort to understand the customer's needs.

2.3 The Gaps Model of Service Quality

Parasuraman et al. (1985) expanded Gronroos's work and further refined the concept of service quality. Parasuraman et al. (1988) identified the five key discrepancies which are normally known as the "gaps" model. This model conceptualizes service quality on the basis of the differences between customers' expectations with respect to the five dimensions and their perceptions of what was actually delivered.



2.4 Gap 5

Gap 5 is the difference between what the consumer expected to receive from the service and what he/she believes she actually did receive. Customer expectations are standards or reference points that customers bring into the service experience, the key determinants of service expected by customers include word-of-mouth communications, personal needs, past experiences, and communications from the service organization (Zeithaml et al., 2006).

3. Methodology

The population of this research is the total number of guests visiting boutique hotels in Phuket. According to Tourism Authority of Thailand (TAT) website in 2010, there are 799 rooms from 18 boutique hotels in Phuket. There are 4 Quarters in year of 2010 and the average occupancy rates are different in each quarter (CBRE Research, 2010). Base on the information of number of rooms and the amount of occupancy rate, the total numbers of guests visiting boutique hotel in Phuket are calculated. Totally for the whole year 2010, the total numbers of guests visiting boutique hotels in Phuket is 175,361.

In this paper, the researcher uses a formula from Yamane to determine the sample size. A representative sample size with known confidence and risk levels was selected, based on the work of Yamane (1967). An appropriate response rate was determined. The formula used by Yamane (1967) is

$$n = \frac{N}{1 + N(e^2)}$$

Where:

n = required responses

e^2 = error limit

N = sample size

There were 175,361 boutique hotel guests in 2010 ($N = 175,361$). Placing information in the formula at 95% confidence level and an error limit of 5% result in:

$$\begin{aligned} n &= \frac{175,361}{1 + 175,361(.05^2)} \\ &= \text{approximately 400 responses} \end{aligned}$$

From the Yamane formula, the required responses at 95% confidence level and an error limit of 5% results are 400 responses. Therefore, in order to enhance the scope of generalization of this investigation, the

researcher decided to use the sample size at 450 responses.

Handing out the questionnaires to customers at boutique hotels on the date that guests check out or the last day before checking out to ensure that the guests have already consume all services and facilities because it is easier for a customer to recall their boutique hotel service experiences and answer the questions more accurately.

The questionnaire was pretested mainly to examine the adequacy of the research instrument as well as the clarity of the questionnaire. A total of 10 respondents were involved in this pretest. Four of them were domestic tourists and other six were foreign tourists. They were selected randomly while visiting the Phuket town. The results of the pretest indicated that the time required to complete the whole questionnaire was around 5-7 minutes. For clarity, several instructions in the questionnaires have been improved based on the feedbacks from the respondents.

In total 450 questionnaires were distributed to 18 boutique hotels in Phuket, 40 questionnaires were not return and were left actual sample size 410 for this study.

Data collection for this study was conducted during April - June, 2012.

4. Results

The purpose of this chapter is to summarize the collected data and the statistical of analysis of the measurement of service quality towards boutique hotel in Phuket. It explored the guest information and some general information such as main purpose of visit, guest travel, and overall satisfaction as well as the expectation and perception towards boutique hotels. Therefore, the research was conducted by using a quantitative study. In quantitative study, the questionnaires were analysed using SPSS (Statistical Package for the Social Sciences) for descriptive statistics.

4.1 Respondent Characteristic Profile

Table 1. Respondent Characteristic Profile

Variable	Description	N = 410	
		N	Percentage
Gender	Male	213	52
	Female	197	48
Age	Under 20 years old	5	1.2
	20-30 years old	124	30.2
	31-40 years old	174	42.4
	41-50 years old	75	18.3
	51-60 years old	24	5.9
	Over 60 years old	8	2
Region	Europe	208	50.7
	Asia	95	23.2
	Australia & New Zealand	52	12.7
	Americas & Canada	30	7.3
	Others (Including Africa and Middle East)	25	6.1
Marital Status	Single	158	38.5
	Married	208	50.7
	Divorced	30	7.3
	Widowed	14	3.4
Education Level	Secondary School	3	0.7
	High School	23	5.6
	Bachelor Degree	334	81.5
	Master Degree	46	11.2
	Doctoral Degree	4	1
Main Occupation	Student	37	9
	Government Officer	86	21
	Self-employed	104	25.4
	Unemployed	3	0.7
	Businessman/Businesswoman	141	34.4
	Housewife	15	3.7
	Retired	21	5.1
	Others	3	0.7
Annual Household Income	Less than \$10,000	36	8.8
	\$10,001 to \$25,000	166	40.5
	\$25,001 to \$35,000	46	11.2
	\$35,001 to \$50,000	17	4.1
	\$50,001 to \$75,000	80	19.5
	More than \$75,000	65	15.9
Total		410	100%

4.2 Guest Expectation Towards Boutique Hotel

The second part shown the most important factors of customers expectation in terms of tangibles (physical facilities, equipment and appearance of personnel) the respondent were concern the most important factor is "Spaciousness of rooms" (mean = 4.20, standard deviation = 0.745), followed by "Hygienic bathrooms and toilets" (mean = 4.18, standard deviation = 0.768), and "Cleanliness and comfort of rooms" (mean = 4.17, standard deviation = 0.723).

In terms of reliability (ability to perform the expected service dependably and accurately) the respondent were answers factors of “Staff with good communication skills” (mean = 4.15, standard deviation = 1.626) are the most important and follow by “Accuracy in billing” (mean = 4.13, standard deviation = 0.708), and “Availability of transport facilities” (mean = 4.07, standard deviation = 0.613).

In terms of responsiveness (willingness to provide prompt service), the respondent were concern of “Quick check-in and check-out” (mean = 4.02, standard deviation = 0.513), follow by “Willingness of staff to provide help promptly” (mean = 3.95, standard deviation = 0.383), and “Availability of staff to provide service” (mean = 3.89, standard deviation = 0.455).

Regarding to Assurance (courtesy displayed by hotel staff and their ability to inspire trust and confidence) the respondent was agree of the most important factor of “Friendliness of staff” (mean = 3.96, standard deviation = 0.367), follow by “Ability to instill confidence in customers” (mean = 3.95, standard deviation = 0.422), and “Courteous employees” (mean = 3.88, standard deviation = 0.484).

In terms of Empathy (caring, individualized attention provided to guests by hotel staff), the most important factor shown “Understanding the customers’ requirements” (mean = 3.97, standard deviation = 0.508), and follow by “Problem-solving abilities of staff” (mean = 3.95, standard deviation = 0.521), and “Listening carefully to complaints” (mean = 3.91, standard deviation = 0.534).

4.3 Guest Perception Towards Boutique Hotel

The result of perceive service of the satisfaction level in terms of “Tangibles” (physical facilities, equipment and appearance of personnel) the respondent had concern of

“Cleanliness and comfort of rooms” (mean = 4.30, standard deviation = 0.646) follow by “Hygienic bathroom and toilets” (mean = 4.29, standard deviation = 0.652), and “Spaciousness of rooms” (mean = 4.27, standard deviation = 0.63).

In terms of “Reliability” (ability to perform the expected service dependably and accurately) the most important factor that the respondent had been chosen is “Accuracy in billing” (mean = 4.15, standard deviation = 0.588) following by “Staff with good communication skills” (mean = 4.09, standard deviation = 0.554), and “Accuracy of food orders” (mean = 4.07, standard deviation = 0.577)

The most important of responsiveness (Willingness to provide prompt service) the respondent were concern of “Quick check-in and check-out” (mean = 4.07, standard deviation = 0.446), follow by “Availability of staff to provide service” (mean = 4.02, standard deviation = 0.413), “Willingness of staff to provide help promptly” (mean = 3.98, standard deviation = 0.338).

Regarding the “Assurance” (courtesy displayed by hotel staff and their ability to inspire trust and confidence), most of the respondent were satisfy of “Courteous employees” (mean = 4.13, standard deviation = 0.452), follow by “Ability of staff to instill confidence in customers” (mean = 4.09, standard deviation = 0.477), “Friendliness of staff” (mean = 4.04, standard deviation = 0.418).

In terms of “Empathy” (caring, individualized attention provided to guests by hotel staff) the most satisfaction factor is “Customer loyalty programme” (mean = 4.06, standard deviation = 0.515), “Hotel to have customers’ best interest at heart” (mean = 4.02, standard deviation = 0.466), and “Availability of room service” (mean = 3.98, standard deviation = 0.474).

4.4 Gap 5 Towards Service Quality of Boutique Hotels

The result of perceive and expected service between gap 5 in order of service quality the respondent had agree that “Appealing exterior hotel décor” (mean = 0.25) had a wilder gap between expected and perceive service more than other factors and a smaller gap between gap 5 of expected service and perceive service had shown in the factor of “Spaciousness of room” (mean = 0.07).

The wilder gap in terms of “Reliability” had shown the factor of “Staff performing services right the first time” (mean = 0.17) and the smaller gap of this factor had shown “Staff with good communication skills” (mean = -0.06).

Responsiveness had a wilder gap between the factor of “Availability of staff to provide service” (mean = 0.13) and the smaller gap of this factor had shown “Willingness of staff to provide help promptly” (mean = 0.03).

In terms of “Assurance” had shown the wilder gap between factor of “Courteous employees” (mean = 0.25) and the smaller gap of this factor had shown “Friendliness of staff” (mean = 0.08).

In terms of “Empathy” had shown the wilder gap between factor of “Customer loyalty programme” (mean = 0.15) and the smaller gap of this factor had shown “Problem-solving abilities of staff” (mean = 0.15).

Table 2. Gap 5 Towards Service Quality of Boutique Hotels

Factors	Perceive Service	Expected Service	Gap 5
	Mean	Mean	
1. Tangibles (physical facilities, equipment and appearance of personnel)			
1. Modern and comfortable furniture	3.86	3.70	0.16
2. Appealing interior hotel décor	3.96	3.76	0.20
3. Appealing exterior hotel décor	3.98	3.73	0.25
4. Attractive lobby	3.98	3.78	0.20
5. Cleanliness and comfort of rooms	4.30	4.17	0.13
6. Spaciousness of rooms	4.27	4.20	0.07
7. Hygienic bathrooms and toilets	4.29	4.18	0.11
8. Convenient hotel location	4.20	4.10	0.10
9. Neat and professional appearance of staff	4.01	3.90	0.11
10. Complimentary items	3.85	3.71	0.14
11. Visually appealing brochures, pamphlets, etc.	3.81	3.72	0.09
12. Availability of non-smoking areas	3.99	3.89	0.10
13. Unique Design	4.01	3.86	0.15
2. Reliability (ability to perform the expected service dependably and accurately)			
1. Staff performing services right the first time	3.92	3.85	0.07
2. Performing the services at the time promised	3.93	3.80	0.13
3. Well-trained and knowledgeable staff	4.02	3.85	0.17
4. Experienced staff	3.98	3.90	0.08
5. Staff with good communication skills	4.09	4.15	-0.06
6. Accuracy in billing	4.15	4.13	0.02
7. Accuracy of food orders	4.07	4.06	0.01
8. Accurate information about hotel services	3.99	3.94	0.05
9. Advance and accurate information about prices	4.03	3.95	0.08
10. Timely housekeeping services	4.06	4.06	0.00
11. Availability of transport facilities	4.04	4.07	-0.03
12. Reliable message service	3.95	3.89	0.06
3. Responsiveness (willingness to provide prompt service)			
1. Willingness of staff to provide help promptly	3.98	3.95	0.03
2. Availability of staff to provide service	4.02	3.89	0.13
3. Quick check-in and check-out	4.07	4.02	0.05
4. Assurance (courtesy displayed by hotel staff and their ability to inspire trust and confidence)			
1. Friendliness of staff	4.04	3.96	0.08
2. Courteous employees	4.13	3.88	0.25
3. Ability of staff to instill confidence in customers	4.09	3.95	0.14
5. Empathy (caring, individualized attention provided to guests by hotel staff)			
1. Giving special attention to the customer	3.92	3.89	0.03
2. Recognizing the hotel customer	3.66	3.58	0.08
3. Calling the customer by name	3.69	3.54	0.15
4. Availability of room service	3.98	3.90	0.08
5. Understanding the customers' requirements	3.98	3.97	0.01
6. Listening carefully to complaints	3.97	3.91	0.06
7. Problem-solving abilities of staff	3.96	3.95	0.01
8. Hotel to have customers' best interest at heart	4.02	3.90	0.12
9. Customer loyalty programme	4.06	3.91	0.15

5. Conclusions

In this study, the Gap 5 of service quality of boutique hotels in Phuket base on service quality attributes was focused. It was found that there are only two attributes in Reliability dimension “Staff with good communication skills” and “Availability of transport facilities” that had negative in Gap 5 which means that these two attributes did not meet guest expectations. While the rest of the service quality attributes meet guest expectations as shown that Gap 5 result are positive. In conclusion, the findings of the research conclude that guests satisfied service quality of boutique hotels in Phuket.

According to service quality attributes, the findings provides by the study may give empirically justified for the hotel industry concerned to develop their service quality for increasing the gap between customer’s expectations and perceptions. Even most of attributes are positive in Gap 5, it does not mean that customers will always satisfy as some of attributes shown small gap. Hotels itself have to maintain and improve the quality of services at all times and in all seasons. As competition in the hotel industry intensifies, it becomes more of a challenge to stay in a competitive market position. Therefore, guest satisfaction through improved service quality becomes a more important requirement for any hotel business. Research findings of the current study provide managers and entrepreneurs in the boutique hotel industry with insight into better understanding of guest expectations and meaningful implications for the development of boutique hotel service quality. Thus, hotel managers should continue to improve the quality of service to stay in a completion in the saturated market environment.

Continued research is needed to improve this study and it is hoped that this study will give a preliminary insight and understanding on the customers’ expectation and perception towards boutique hotels in Phuket.

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